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FM AMEMBASSY RANGOON  
TO RUEHC/SECSTATE WASHDC 8368  
RUCNASE/ASEAN MEMBER COLLECTIVE  
RUEHLO/AMEMBASSY LONDON 2049  
RUEHKO/AMEMBASSY TOKYO 6268  
RUEHRO/AMEMBASSY ROME 0183  
RUEHFR/AMEMBASSY PARIS 0602  
RUEHCHI/AMCONSUL CHIANG MAI 1917  
RUEAUSA/DEPT OF HHS WASHDC  
RHHMUNA/CDR USPACOM HONOLULU HI  
RUEHPH/CDC ATLANTA GA  
RUCLRFA/USDA WASHDC  
RUEHRC/USDA FAS WASHDC  
RHEHNSC/NSC WASHDC  
RUCNDT/USMISSION USUN NEW YORK 2093  
RUEKJCS/SECDEF WASHDC  
RUEHBS/USEU BRUSSELS  
RUEKJCS/JOINT STAFF WASHDC

UNCLAS SECTION 01 OF 02 RANGOON 000867

SENSITIVE  
SIPDIS

DEPT FOR EAP/MLS, OES, S/GAC  
DEPT PASS TO USAID/ANE/CLEMENTS AND GH/CARROLL  
BANGKOK FOR REO OFFICE, USAID/RDMA HEALTH OFFICE  
PACOM FOR FPA

E.O. 12958:N/A  
TAGS: ECON TBIO EAID SOCI PGOV BM  
SUBJECT: BURMA HOSTS SECOND CCM MEETING FOR GLOBAL FUND  
APPLICATION

REF: A) RANGOON 797 B) STATE 115494 C) RANGOON 842

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Summary

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¶11. (SBU) The Ministry of Health (MOH) chaired the second Country Coordinating Mechanism (CCM) meeting in Nay Pyi Taw October 31 in preparation for its planned Round Nine Global Fund Application. During the meeting, participants reiterated the humanitarian need for a Global Fund application, and with an eye toward determining a funding request, agreed to "think big but start small." The CCM determined that funding requests should be limited to USD 110 million for HIV/AIDS, USD 60 million for tuberculosis (TB), and USD 50 million for malaria. MOH has yet to set a date for the next CCM; agenda items should include how to incorporate key issues, including access and NGO experiences, into a Round Nine application; a discussion on the principal recipient process; and a Three Disease Fund operational update. End Summary.

Acknowledging the 3DF

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¶12. (SBU) The October 31 CCM was attended by representatives of the GOB, UN agencies, donors, and NGOs, with the UKOs DFID speaking for international donors. According to DFID Director Paul Whittingham (who attended the meeting as the donor representative), the Minister of Health, as the CCM chair, opened the meeting by thanking the participants for their work on the pending Global Fund application. He specifically acknowledged the importance of the Three Diseases Fund (3DF) in providing medical care and treatment to Burmese and thanked donors for their support of such programs.

The Minister reiterated that despite assistance, there continue to be gaps in the health sector; a Global Fund grant would help fill these gaps.

#### Determining Funding Requests

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**¶13.** (SBU) The Technical Strategic Groups (TSGs) for HIV/AIDS, TB, and Malaria each presented draft concept notes for possible funding under a Round Nine application. (A concept note is a short, two to three page document that serves in advance for a full proposal.) According to several TSG members (from both INGOs and UN agencies), the TSG concept note vetting process was Qvery transparent, with broad participation. A representative of UNODC who is a member of the HIV/AIDS TSG confirmed that none of the concept note reviewers evaluated proposals from their own organizations. He stated that Global Fund eligibility criteria were stringently applied.

**¶14.** (SBU) For HIV/AIDS, the TSG recommended that concept notes from 15 organizations (local and international NGOs, the National AIDS Program, and UN agencies) worth USD 160 million over five years be included; the TB TSG proposed nine concept notes totaling USD 77 million; and the TSG for malaria presented 14 concept notes worth USD 98 million. After the presentations, CCM members agreed that the preliminary amounts were too high and that there was a need to Qthink big, but start small.Q The CCM set a target over five years of USD 110 million for HIV/AIDS, \$60 million for TB, and USD 50 million for malaria, and asked the TSGs to reduce the number of concept notes that

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will be included in the Global Fund application.

**¶15.** (SBU) According to DFID Health Director Julia Kemp, the Global Fund proposal form requires an estimation of the funding gap for HIV/AIDS, TB, and malaria, as well as a list of current commitments from other donors, so that any new Global Fund monies would be used to supplement existing programs. Consequently, the CCM members agreed to ask the Three Diseases Fund (3DF) for its funding projections and plans through 2010. (Note: the 3DFQs five year mandate expires in 2011; donors expect the 3DF to continue, even if a Global Fund application is approved. End note.) The CCM did not address health funding from other donors (such as the USG).

#### Still No Decision on Principal Recipients

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**¶16.** (SBU) Although the CCM agenda originally called for a discussion on the Principal Recipient (PR) process (Ref A), the October 31 CCM did not address the issue. According to Whittingham, GOB officials requested additional time to discuss internally the PR question. A NGO representative told us that while MOH officials know the GOB cannot be one of the two Global Fund PRs, the Minister of Health has yet to raise this issue with higher officials. Our NGO contact was confident the GOB would accept the PR limitations, and intimated that an international NGO and/or a UN agency would likely hold the two PR positions.

#### Next Steps

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**¶17.** (SBU) The Minister of Health has yet to set the date for the next CCM, Kemp told us. Consequently, the agenda for the next meeting remains open. CCM members agreed that the Round Nine proposal should address a number of broader issues, including access to project sites and NGO operational experiences (both positive and negative); how to incorporate these issues into the proposal will be

discussed at the next meeting. Additionally, DFID will request that members discuss the PR process, as well as a review of the 3DFQs operations.

Comment

18. (SBU) The CCM process is progressing in a transparent manner, with the UN agencies, NGOs and most donors strongly supportive of the GOBOs plans for a new Global Fund application and of the Minister of HealthQs personal commitment to meet Global Fund requirements. We have made clear to all CCM players, including the Minister himself, the U.S. position on the need for prior, credible GOB commitments on key operational concerns up front. CCM members seem to be getting the message, as evidenced by their decision that a Round Nine proposal should address broader issues, including those that predicated the 2005 Global Fund withdrawal. It remains unclear, however, what form that will ultimately take, or whether it will be sufficient to meet USG concerns.

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